

UNIFORM ACCOUNTING PROCEDURES

INFRASTRUCTURE REPORTING (Continued)

4. Traffic signals are to be recorded at original placement cost, by signal, and the depreciation factor is to be applied up to the implementation date. Signals are to remain as capital assets until they are removed or replaced. If they are removed or replaced prior to being fully depreciated, they are to be considered like equipment capital assets and variances are to be recorded as gain or loss on disposal.
5. Bridge capitalization amounts are to be taken from the bridge inventory in your engineering department and are to be recorded by subaccount and bridge. Year of construction can be obtained from the bridge inventory data. These are to be recorded at their original cost and depreciated up to current year. Bridges are to remain as capital assets until they are removed or replaced. If they are removed or replaced prior to being fully depreciated, they are to be considered like equipment capital assets and variances are to be recorded as gain or loss on disposal.

The following account numbers may be used to record capital assets [SAMPLES ONLY]

Capital Expenditure Accounts

900	971	Land
900	972	
900	973	
900	974	
900	975	Buildings
900	976	Road Equipment
900	977	Shop Equipment
900	978	Engineering Equipment
900	979	Yard and Storage
900	980	Office Equipment
900	981	
900	982	
900	983	
900	984	
900	985	
900	986	
900	987	

SAMPLE COUNTY ROAD COMMISSION
STATEMENT OF NET ASSETS
December 31, 20XX

ASSETS

Cash	\$ 514,582
Investments	778,282
Accounts Receivable	
Taxes	2,318,885
Sundry Accounts	11,638
State Trunkline Maintenance	220,000
State--Other	52
Michigan Transportation Fund	1,341,850
Due on County Road Agreements	1,099,605
Due From Primary Government	170,347
Inventories	
Road Materials	309,816
Equipment Parts and Materials	309,155
Prepaid Expenses	126,625
Capital Assets (Net of Accumulated Depreciation)	<u>43,726,510</u>
 Total Assets	 <u>50,927,347</u>

LIABILITIES

Current Liabilities	
Accounts Payable	971,346
Due to State of Michigan	7,836
Accrued Liabilities	145,902
Performance Bonds Payable	35,115
Non-Current Liabilities	
Advances from State	386,217
Property Taxes	2,318,885
Deferred Revenue--Twp Road Bonds	
Installment Purchase Agreements Payable-Due Within One Year	55,700
Installment Purchase Agreements Payable-Due in More Than One Year	465,521
Vested Employee Benefits Payable	<u>418,759</u>
 Total Liabilities	 <u>4,805,281</u>

NET ASSETS

Investment in Capital Fixed Assets, Net of Related Debt	43,205,289
Restricted for County Roads	<u>2,916,777</u>
 Total Net Assets	 <u>\$ 46,122,066</u>

SAMPLE COUNTY ROAD COMMISSION
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 20XX

Program Expenses	
Primary Road Routine and Preventive Maintenance	\$ 2,199,985
Local Road Routine and Preventive Maintenance	4,771,542
State Trunkline Maintenance	1,917,879
Net Equipment Expense	(179,186)
Net Administrative Expense	575,971
Non-Road Project	80,000
Infrastructure Depreciation	945,340
Compensated Absences	18,572
Interest Expense	12,980
	<hr/>
Total Program Expenses	10,343,083
	<hr/>
Program Revenue	
Charges for Services	
License and Permits	29,593
Charges for Services	1,928,724
Contributions From Local Units	1,890,123
Reimbursements	2,189
Operating Grants and Contributions	
Michigan Transportation Funds	8,728,542
Investment Earnings	47,402
Capital Grants and Contributions	
Federal Grants	2,043,034
State Grants	283,142
Contributions From Local Units	3,500,000
Contributions From Private Sources	1,000,000
	<hr/>
Total Program Revenue	19,452,749
	<hr/>
Net Program Revenue	9,109,666
	<hr/>
General Revenue	
Property Taxes	2,231,533
Gain on Equipment Disposal	56,984
Transfers In--Primary Government	136,133
	<hr/>
Total General Revenues and Transfers In	2,424,650
	<hr/>
Change in Net Assets	11,534,316
Net Assets	
Beginning of Year	34,587,750
End of Year	\$ 46,122,066
	<hr/>

**RECONCILIATION OF THE BALANCE SHEET FUND BALANCE TO
THE STATEMENT OF NET ASSETS
For the Year Ended December 31, 20XX**

Total Governmental Fund Balance	\$ 3,335,536
---------------------------------	--------------

Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	43,726,510
--	------------

Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	<u>(939,980)</u>
---	------------------

Net Assets of Governmental Activities	<u><u>\$ 46,122,066</u></u>
---------------------------------------	-----------------------------

**SAMPLE COUNTY ROAD COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 20XX**

Net Change in Fund Balance--Total Governmental Funds \$ (266,366)

Amounts reported for governmental activities in the statement are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. Equipment retirement is recorded as an expenditure credit in governmental funds, but is not recorded as an expense in the Statement of Activities. 12,993,670

Lease proceeds provide current financial resources to governmental funds, but entering into lease agreements increases long-term liabilities in the Statement of Net Assets. Repayment of notes/leases payable is an expenditure in governmental funds, but reduces the long-term liabilities in the Statement of Net Assets. (229,076)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (ie. Increase in compensated absences and infrastructure depreciation). (963,912)

Change in Net Assets of Governmental Activities \$ 11,534,316

SAMPLE COUNTY ROAD COMMISSION
REVENUE WORKSHEET
Fund #201: County Road Fund
FYE 12/31/20XX

Account Name	Modified Accrual	Adj. No.	GASB 34 Adjustments	GASB 34
PROPERTY TAXES				
Property Taxes	\$ 2,231,533			\$ 2,231,533
LICENSES AND PERMITS:				
Permits	29,593			29,593
FEDERAL GRANTS:				
Critical Bridge	1,192,934			1,192,934
Surface Transportation Program	277,215			277,215
Econ Dev D Funds-Contracted	572,885			572,885
STATE GRANTS:				
Michigan Transportation Fund				
Engineering	10,000			10,000
Primary Urban Road	5,060,618			5,060,618
Local Urban Road	3,285,474			3,285,474
Primary Allocation Road	182,350			182,350
Local Allocation Road	73,365			73,365
Snow Removal	116,735			116,735
Critical Bridge	51,978			51,978
Economic Development Fund				
Rural Primary (D)	231,164			231,164
CONTRIBUTIONS FROM LOCAL UNITS:				
Cities and Villages	80,000			80,000
Townships	5,310,123			5,310,123
CHARGES FOR SERVICES:				
State Trunkline Maintenance	1,732,091.00			1,732,091
State Trunkline Non-Maintenance	185,788.00			185,788
Other	8,411			8,411
Salvage Sales	2,434			2,434
INTEREST & RENTS:				
Interest Earned	47,402	7	-	47,402
OTHER REVENUE:				
Reimbursements & Refunds	2,189			2,189
Gain/(Loss) on Equip Disposal	56,984			56,984
Contributions from Private Sources	1,000,000			1,000,000
OTHER FINANCING SOURCES				
Installment Lease Proceeds	300,000	4b	\$ (300,000)	-
Op. Transfers In From Primary Gov't	136,133			136,133
TOTAL REVENUES	\$ 22,177,399		\$ (300,000)	\$ 21,877,399

SAMPLE COUNTY ROAD COMMISSION
EXPENDITURE WORKSHEET
Fund #201: County Road Fund
FYE 12/31/20XX

Activity or Account Name	Modified Accrual	GASB 34 Adjustments		GASB 34
Primary Road				
Construction/Capacity Improvement		0.00	6	0.00
Preservation-Structural Improvements	5,524,799.00	(5,524,799.00)	6	0.00
Routine and Preventive Maintenance	2,194,403.00			2,194,403.00
Local Road				
Construction/Capacity Improvement	1,000,000.00	(1,000,000.00)	6	0.00
Preservation-Structural Improvements	5,111,178.00	(5,111,178.00)	6	0.00
Routine and Preventive Maintenance	4,768,702.00			4,768,702.00
Primary Road Structures				
Preservation-Structural Improvements	1,223.00	(1,223.00)	6	0.00
Routine and Preventive Maintenance	5,582.00			5,582.00
Local Road Structures				
Preservation-Structural Improvements	1,260,157.00	(1,260,157.00)	6	0.00
Routine and Preventive Maintenance	2,840.00			2,840.00
State Trunkline Maintenance	1,732,091.00			1,732,091.00
State Trunkline Non-Maint	185,788.00			185,788.00
Private Driveway Plowing				0.00
Equipment Expense--Net:	(179,186.00)			(179,186.00)
Administrative Expense--Net:	575,971.00			575,971.00
Non Road Project	80,000.00			80,000.00
COMPENSATED ABSENSES		18,572.00	5	18,572.00
Capital Outlay--Net:				0.00
Capital Outlay	1,091,016.00	(1,091,016.00)	1a	0.00
Less: Depreciation and Depletion	(989,275.00)	989,275.00	2	0.00
Equipment Retirements	(5,428.00)	5,428.00	3	0.00
Infrastructure Depreciation		945,340.00	2	945,340.00
Debt Service Payments				
Principal	70,924.00	(70,924.00)	4a	0.00
Interest	12,980.00	0.00	4c	12,980.00
Total Expenditures	22,443,765.00	(12,100,682.00)		10,343,083.00

SAMPLE COUNTY ROAD COMMISSION
FYE 12/31/20XX
ADJUSTING ENTRIES IN ACCORDANCE WITH GASB 34

The following entries are to be made on a worksheet only. They are not meant to be booked into your accounting system.

AE #	ACCT	DESCRIPTION	DEBIT	CREDIT	
1. To record capital assets					
1a		Capital Assets (beginning of year balance)	11,837,684		
		Accumulated Depreciation (Beginning balance)		7,678,596	
		Net Assets, beginning of year		4,159,088	
		Capital Assets (beginning of year balance)-Infrastructure	28,360,348		
		Accumulated Depreciation (Beginning balance)		841,256	
		Net Assets, beginning of year		27,519,092	
	PUT BEGINNING BALANCES INTO OPERATING "FUND"				
		Capital Assets (Current Year Additions)-various accounts	1,091,016		
	970.00	Capital Outlay Expenditures		1,091,016	
		TO REVERSE OUT CAPITAL OUTLAY EXPENDITURES; TO ELIMINATE "INVESTMENT IN FIXED ASSETS" ACCOUNT(S)			
2. To Record Depreciation Expense					
	690	Depreciation Expense-assets other than infrastructure	989,275		
		Accumulated Depreciation		989,275	
	690.01	Depreciation Expense-infrastructure	945,340		
		Accumulated Depreciation		945,340	
	TO REMOVE THE CREDIT TO DEPRECIATION AND TO LEAVE THE ALREADY BOOKED DEPRECIATION BOOKED IN THE "500" ACCOUNTS AND TO BOOK DEPRECIATION FOR INFRASTRUCTURE				
3. To record sale of capital assets					
		Accumulated Depreciation of disposed assets)	230,000		
		Capital Assets (of disposed assets)		235,428	
	689	Capital Asset Retirements	5,428		
	TO BOOK DEPRECIATION AND REMOVE EQUIPMENT RETIREMENTS				
4. Bond or other indebtedness					
4a		Net Assets (beginning of year)	292,145		
	300.00	Bonds Payable (beginning of year)		35,000	
	304.00	Installment Purchase Agreement Payable		257,145	
	PUT BEGINNING BALANCES INTO OPERATING "FUND"				
	300.00	Bonds Payable (current year activity)	35,000		
	304.00	Installment Purchase Agreement Payable	35,924		
	991.00	Debt Service--principal (current year activity)		70,924	
	RECORD CURRENT YEAR PRINCIPAL PAYMENT AS A REDUCTION TO RELATED PAYABLE				
	4b	304.00	Lease Purchase Payable		300,000
		697	Installment Lease Proceeds	300,000	
REVERSE CURRENT YEAR PROCEEDS AND RECORD PAYABLE (New debt)					

SAMPLE COUNTY ROAD COMMISSION
FYE 12/31/20XX
ADJUSTING ENTRIES IN ACCORDANCE WITH GASB 34

The following entries are to be made on a worksheet only. They are not meant to be booked into your accounting system.

AE #	ACCT	DESCRIPTION	DEBIT	CREDIT
4c		Net Assets, beginning of year	-	
	995.00	Interest expense		-
	251.00	Interest Payable		-
		RECORD CURRENT INTEREST PAYABLE ON DEBT PAYMENTS THAT ARE PAID PRIOR TO THE YEAR END THAT HAVE ACCRUED INTEREST.		
5. Employee Compensated Absences				
		Net Assets (beginning of year)	400,187	
	343	Compensated Absences Liability (beginning of year)		400,187
		Compensated Absences Expense--GASB 34 line item only	18,572	-
	343	Compensated Absences Liability (current year increase/dec	-	18,572
6. Construction and Heavy Maintenance				
		Capital Assets-Infrastructure (current year activity)	12,897,357	
	451	Primary Construction/Capacity Improvements		-
	458	Primary Preservation-Structural Improvements		5,524,799
	481.00	Local Construction/Capacity Improvements		1,000,000
	488	Local Preservation-Structural Improvements		5,111,178
	460.00	Primary Structure-Preservation-Structural Improvements		1,223
	482.00	Local Structure-Preservation-Structural Improvements		1,260,157
		TO BOOK INFRASTRUCTURE ADDITIONS		
7. Special Assessment				
		For special assessments, assessed in prior years		
	339	Deferred Revenue--Special Assessments	-	
	672.00	Special Assessment Revenue	-	
	665.01	Interest on Special Assessments		-
		Net Assets		-
		TO REMOVE SPECIAL ASSESSMENT EARNED IN A PRIOR YEAR AND COLLECTED IN THE CURRENT YEAR		
7A	339.00	Deferred Revenue--Special Assessments	-	
	672.00	Special Assessment Revenue		-
		TO RECORD SPECIAL ASSESSMENTS ASSESSED IN THE CURRENT YEAR		
8. To eliminate fund balance to Net Assets				
	390.01	Fund Balance-Primary	3,335,536	
	390.02	Fund Balance-Local	-	
	390.03	Fund Balance-County Road	-	
		Net Assets		3,335,536
			60,773,812	60,773,812

SAMPLE COUNTY ROAD COMMISSION
WORKING TRIAL BALANCE (WP 201 - TB)
FYE 12/31/20xx

			AE #1	AE #1a	AE #2
		Balance Sheet	Record	Current	Modifv
		12/31/20xx	Beginning	Capital Outlay	Depreciation
			Fixed	Conversion	Expense
			Assets	to full accrual	to full accrual
No.	Account Name			method	method
ASSETS					
001	Cash	514,482			
003	Investments	778,282			
004	Imprest-Checking	100			
020	Taxes Receivable	2,318,885			
040	A/R-Sundry	11,638			
78.10	A/R-State Trunkline Maintenance	220,000			
078.2	A/R-State-Other	52			
078.3	A/R-Michigan Transportation Fund	1,341,850			
080	Due on County Road Agreements	1,099,605			
84.00	Due From County	170,347			
109	Inventory-Road Materials	309,816			
110	Inventory-Equipment Parts & Materials	309,155			
123	Prepaid Expenses	126,625			
Property, Plant, and Equipment					
	Capital Assets, Non Infrastructure		11,837,684	1,091,016	
	A/D-Non-Infrastructure		(7,678,596)		(989,275)
	Infrastructure		28,360,348		
	A/D-Infrastructure		(841,256)		(945,340)
Liabilities					
202	Accounts Payable	(971,346)			
228.00	Due to State	(7,836)			
257	Accrued Wages Payable	(145,902)			
283.00	Performance Bonds Payable	(35,115)			
Non-current Liabilities					
304.00	Installment Purchase Agreement				
307.00	Bonds Payable				
328.10	State Trunkline Maintenance Advance	(275,541.00)			
328.20	State Trunkline Equipment Advance	(110,676.00)			
339.00	Deferred Revenue--Property Taxes	(2,318,885)			
343.00	Vested Employee Benefits				
Equity					
390.01	Primary Road Fund Balance	(3,335,536)			
390.02	Local Road Fund Balance				
390.03	County Road Fund Balance				
Net Assets					
	Investment in Capital Assets, Net of				
	Related Debt		(31,678,180)	(1,091,016)	1,934,615
	Restricted				
TOTAL		-	-	-	-
EFFECT TO REVENUES AND EXPENDITURES:					
400	REVENUE CONTROL	(22,177,399)			
700	EXPENDITURE CONTROL	22,443,765		(1,091,016)	1,934,615
TOTALS		266,366	-	(1,091,016)	1,934,615

SAMPLE COUNTY ROAD COMMISSION
WORKING TRIAL BALANCE (WP 201 - TB)
FYE 12/31/20xx

FYE 12/31/20xx		AE #3	AE #4	AE #4a	ae #4b	AE #5
Acct No.	Account Name	Recognize Equipment Disposals to full accrual method	Record Beginning Long-Term Debt	Recognize Debt Payment in full accrual method	Record Current Year's Debt	Record Beginning Compensated Absence Payable
ASSETS						
001	Cash					
003	Investments					
004	Imprest-Checking					
020	Taxes Receivable					
040	A/R-Sundry					
78.10	A/R-State Trunkline Maintenance					
078.2	A/R-State-Other					
078.3	A/R-Michigan Transportation Fund					
080	Due on County Road Agreements					
84.00	Due From County					
109	Inventory-Road Materials					
110	Inventory-Equipment Parts & Materials					
123	Prepaid Expenses					
Property, Plant, and Equipment						
	Capital Assets, Non Infrastructure	(235,428)				
	A/D-Non-Infrastructure	230,000				
	Infrastructure					
	A/D-Infrastructure					
Liabilities						
202	Accounts Payable					
228.00	Due to State					
246.00	Advances-Townships					
283.00	Performance Bonds Payable					
Non-current Liabilities						
304.00	Installment Purchase Agreement		(257,145)	35,924	(300,000)	
307.00	Bonds Payable		(35,000)	35,000		
328.10	State Trunkline Maintenance Advance					
328.20	State Trunkline Equipment Advance					
339.00	Deferred Revenue--Property Taxes					
343.00	Vested Employee Benefits					(400,187)
Equity						
390.01	Primary Road Fund Balance					
390.02	Local Road Fund Balance					
390.03	County Road Fund Balance					
Net Assets						
Investment in Capital Assets, Net of Related Debt		5,428	292,145	(70,924)	300,000	
	Restricted					400,187
TOTAL		-	-	-	-	-
EFFECT TO REVENUES AND EXPENDITURES:						
400	REVENUE CONTROL				300,000	-
700	EXPENDITURE CONTROL	5,428	-	(70,924)	300,000	-
	TOTALS	5,428	-	(70,924)	600,000	

SAMPLE COUNTY ROAD COMMISSION
WORKING TRIAL BALANCE (WP 201 - TB)
FYE 12/31/20xx

FYE 12/31/20xx

		AE #5a	AE #6	AE #8	
Acct No.	Account Name	Record change in Compensated Absence Payable	Record Current Year Infrastructure (Const/Cap Imp. & Pres. Struct. Imp.)	Reclassify Ending Fund Balance to Net Assets- Restricted	ENDING BALANCE GASB 34
ASSETS					
001	Cash				514,482
003	Investments				778,282
004	Imprest-Checking				100
020	Taxes Receivable				2,318,885
040	A/R-Sundry				11,638
78.10	A/R-State Trunkline Maintenance				220,000
078.2	A/R-State-Other				52
078.3	A/R-Michigan Transportation Fund				1,341,850
080	Due on County Road Agreements				1,099,605
84.00	Due From County				170,347
109	Inventory-Road Materials				309,816
110	Inventory-Equipment Parts & Materials				309,155
123	Prepaid Expenses				126,625
Property, Plant, and Equipment					
	Capital Assets, Non Infrastructure				12,693,272
	A/D-Non-Infrastructure				(8,437,871)
	Infrastructure		12,897,357		41,257,705
	A/D-Infrastructure				(1,786,596)
Liabilities					
202	Accounts Payable				(971,346)
228.00	Due to State				(7,836)
257	Accrued Wages Payable				(145,902)
283.00	Performance Bonds Payable				(35,115)
Non-current Liabilities					
304.00	Installment Purchase Agreement				(521,221)
307.00	Bonds Payable				
328.10	State Trunkline Maintenance Advance				(275,541)
328.20	State Trunkline Equipment Advance				(110,676)
339.00	Deferred Revenue--Property Taxes				(2,318,885)
343.00	Vested Employee Benefits	(18,572)			(418,759)
Equity					
390.01	Primary Road Fund Balance			3,335,536	
390.02	Local Road Fund Balance				
390.03	County Road Fund Balance				
Net Assets					
Investment in Capital Assets, Net of Related Debt		18,572	(12,897,357)	(3,335,536)	(43,205,289)
	Restricted				(2,916,777)
TOTAL		-	-	-	-
EFFECT TO REVENUES AND EXPENDITURES:				Closing Entries	
400	REVENUE CONTROL			21,877,399	
700	EXPENDITURE CONTROL	18,572	(12,897,357)	(10,343,083)	-
TOTALS		18,572	(12,897,357)	11,534,316	